



Welcome to Medicare

Once the conference starts, audio will be muted. The presenter will have speaking ability only. If you have questions, use the chat button (blue bubble at the bottom)

For assistance:
Call WebEx Customer Service:
(866) 229-3239



Delaware Medicare Assistance Bureau, “DMAB”

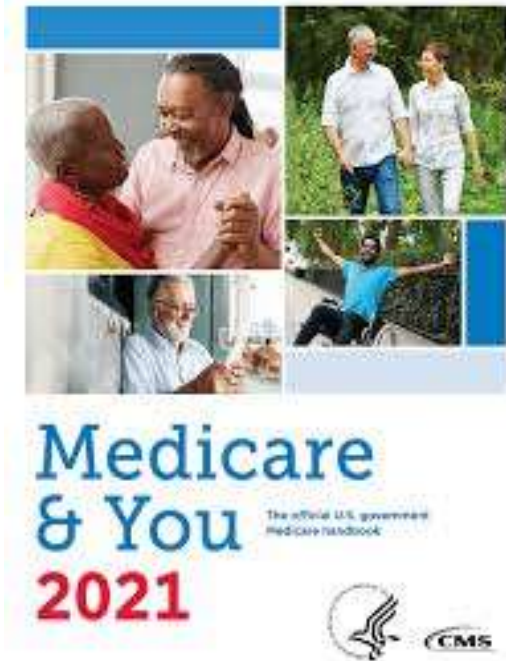
- Delaware’s State Health Insurance Assistance Program, “SHIP”
- Public Service of Insurance Commissioner Trinidad Navarro
- Funded by the Administration for Community Living
- Provide information and assistance regarding Medicare
- Trained Volunteers
- Offers Speakers, participate in health fairs/community events

Lesson 1 – What is Medicare?

■ Health insurance for people

- 65 and older
- Under 65 with certain disabilities
 - ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease) without a waiting period
- Any age with End-Stage Renal Disease (ESRD)

NOTE: To get Medicare you must be a U.S. citizen or lawfully present in the U.S. Must reside in the U.S for 5 continuous years.



CMS Product No. 10050

What Agencies are Responsible for Medicare?

Handle Enrollment,
Premiums



Social Security enrolls most people in Medicare



Railroad Retirement Board (RRB) enrolls railroad retirees in Medicare



Federal retirees' premiums are handled by the **Office of Personnel Management (OPM)**

We Handle the Rest



Centers for Medicare & Medicaid Services (CMS) administers the Medicare Program

What are the Parts of Medicare?



Part A (Hospital Insurance)



Part B (Medical Insurance)



Part C (Medicare Advantage)



Part D (Prescription drug coverage)

Automatic Enrollment—Part A and Part B

- **Automatic enrollment for people who get**

- Social Security benefits
- RRB benefits

- **Welcome to Medicare Package**

- Mailed 3 months before
 - 65 or
 - 25th month of disability benefits
- Includes your Medicare card



Your Medicare Card

- Keep it to accept Part B
- To refuse Part B, follow instructions in the “Welcome to Medicare” package
- Carry your card when you’re away from home
 - Let your doctor, hospital, or other health care provider see your card when you need health care
 - Need a replacement card?
 - Sign into your Medicare account on [MyMedicare.gov](https://www.mymedicare.gov) and print an official copy
 - Call 1-800-MEDICARE (1-800-633-4227); TTY 1-877-486-2048



Some People Must Take Action to Enroll in Medicare

- If you aren't automatically enrolled in Part A and Part B
 - You need to enroll with Social Security
 - Visit [socialsecurity.gov](https://www.socialsecurity.gov), or
 - Call 1-800-772-1213; TTY: 1-800-325-0778
 - If retired from a railroad, enroll with the RRB
 - Call your local RRB office at 1-877-772-5772;
TTY: 1-312-751-4701



NOTE: The age for full Social Security retirement benefits is increasing. Medicare eligibility age is still 65.

Initial Enrollment Period (IEP)



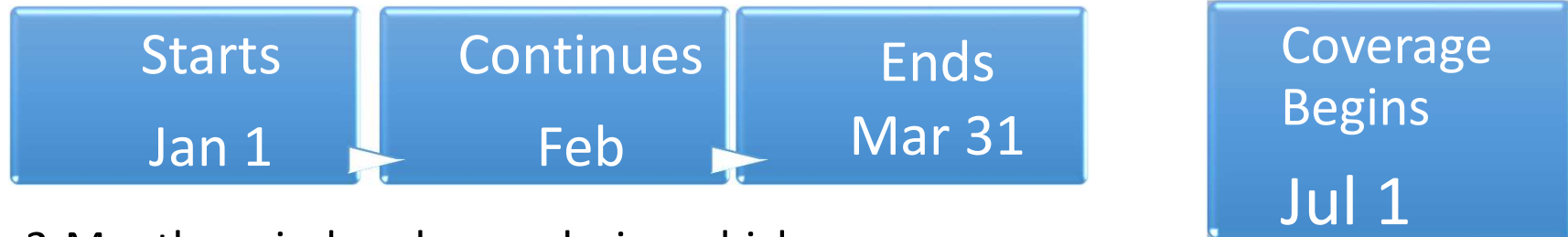
During your IEP you can enroll/join:

- ✓ Part A
- ✓ Part B
- ✓ MA (if you have Part A and Part B)
- ✓ Part D (if you have Part A and/or Part B)

No late enrollment penalties

You can buy a Medigap policy (must have Part A and Part B, but not MA). Medigap OEP lasts 6 months from when you're **both** 65 and have Part B

General Enrollment Period (GEP)



3-Month period each year during which you can enroll/join:

- ✓ Part A (if you have to buy it)
- ✓ Part B

May have late enrollment penalties

If you enroll in Medicare during the GEP (dates above), from April 1–June 30, you can sign up for:

- ✓ MA (if you have Part A and Part B)
- ✓ Part D (if you have Part A and/or Part B)



Special Enrollment Period (SEP)



8-Month period when you can enroll in:

- ✓ Part A
- ✓ Part B

Usually no late
enrollment
penalties

If you enroll during SEP, you can enroll in:

- ✓ MA (must have Part A and Part B)
- ✓ Part D (Part A and/or Part B)

You have 6 months from the Part B effective date to buy a Medigap policy (must have Part A and Part B)



Lesson 2

ORIGINAL MEDICARE PART A (HOSPITAL INSURANCE) AND PART B (MEDICAL INSURANCE)

Paying for Part A



Part A
Hospital Insurance

- Most people don't pay a premium for Part A
 - If you or your spouse paid Federal Insurance Contributions Act (FICA) taxes for at least 10 years
- If you paid FICA taxes less than 10 years, you can pay a monthly premium to get Part A
- May have a penalty if you don't enroll when first eligible for Part A (if you have to buy it)
 - Your monthly premium may go up 10%
 - You'll have to pay the higher premium for twice the number of years you could've had Part A, but didn't sign up

Part A (Hospital Insurance) Covers

Part A (Hospital Insurance) helps cover medically necessary:

✓ Inpatient care in a hospital

- Semi-private room, meals, general nursing, drugs (including methadone to treat an opioid use disorder), and other hospital services and supplies, as part of your inpatient treatment
 - Includes care you get in acute care hospitals, critical access hospitals, inpatient rehabilitation facilities, long-term care hospitals, psychiatric care in inpatient psychiatric facilities (lifetime 190-day limit in a freestanding psychiatric hospital), and inpatient care for qualifying clinical research study

✓ Inpatient care in a skilled nursing facility (SNF)

- After a related 3-day inpatient hospital stay
 - If you meet all the criteria



Part A
Hospital Insurance

Part A (Hospital Insurance) Covers (continued)



Part A
Hospital Insurance

Part A (Hospital Insurance) helps cover:

- ✓ Blood (inpatient)
- ✓ Hospice care
- ✓ Home health care
- ✓ Inpatient care in a religious nonmedical health care institution (RNHCI)

Benefit Periods in Original Medicare

- Measures use of inpatient hospital and SNF care
 - Begins the day you first get inpatient care in hospital or SNF
 - Ends when not in a hospital/SNF 60 days in a row
- Pay Part A deductible for each benefit period
- No limit to number of benefit periods you can have

Ends 60 days in
a row here...



Home

Not here...



Hospital
or SNF

Benefit periods can span across calendar years.

2021 Part A—What You Pay in Original Medicare

Hospital Inpatient Stay	<ul style="list-style-type: none"> ▪ \$1,484 in 2021 deductible for each benefit period. ▪ Days 1–60: \$0 coinsurance for each benefit period. ▪ Days 61–90: \$371 in 2021 coinsurance per day of each benefit period. ▪ Days 91 and beyond: \$742 in 2021 coinsurance per each “lifetime reserve day” after day 90 for each benefit period (up to 60 days over your lifetime). ▪ Beyond lifetime reserve days: all costs. ▪ NOTE: You pay for private-duty nursing, a television, or a phone in your room. You pay for a private room unless it’s medically necessary.
Mental Health Inpatient Stay	<ul style="list-style-type: none"> ▪ \$1,484 in 2021 deductible for each benefit period. ▪ Days 1–60: \$0 coinsurance per day of each benefit period. ▪ Days 61–90: \$371 in 2021 coinsurance per day of each benefit period. ▪ Days 91 and beyond: \$742 in 2021 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime). ▪ Beyond lifetime reserve days: all costs. ▪ 20% of the Medicare-approved amount for mental health services you get from doctors and other providers while you're a hospital inpatient. ▪ NOTE: There's no limit to the number of benefit periods you can have when you get mental health care in a general hospital. You can also have multiple benefit periods when you get care in a psychiatric hospital. Remember, there's a lifetime limit of 190 days.

2021 Part A—What You Pay in Original Medicare (continued)

Skilled Nursing Facility (SNF) Stay	<ul style="list-style-type: none"> ▪ Days 1–20: \$0 for each benefit period. ▪ Days 21–100: \$185.50 in 2021 coinsurance per day for each benefit period. ▪ Days 101 and beyond: all costs.
Home Health Care	<ul style="list-style-type: none"> ▪ \$0 for home health care services. ▪ 20% of the Medicare-approved amount for Durable medical equipment (DME).
Hospice Care	<ul style="list-style-type: none"> ▪ \$0 for hospice care. ▪ You may need to pay a copayment of no more than \$5 for each prescription drug and other similar products for pain relief and symptom control while you're at home. In the rare case your drug isn't covered by the hospice benefit, your hospice provider should contact your Medicare drug plan to see if it's covered under Medicare prescription drug coverage (Part D). ▪ You may need to pay 5% of the Medicare-approved amount for inpatient respite care. ▪ Medicare doesn't cover room and board when you get hospice care in your home or another facility where you live (like a nursing home).
Blood	If hospital gets it from a blood bank at no charge, you have no charge

Part B (Medical Insurance) Covers

Part B—Medical Insurance helps cover medically necessary:

- ✓ Doctors' services
- ✓ Outpatient medical and surgical services and supplies
- ✓ Clinical lab tests
- ✓ Durable medical equipment (DME) (like walkers and wheelchairs)
- ✓ Diabetic testing equipment and supplies
- ✓ Preventive services (like flu shots and a yearly wellness visit)
- ✓ Home health care
- ✓ Medically necessary outpatient physical and occupational therapy, and speech-language pathology services
- ✓ Outpatient mental health care services



Part B
Medical Insurance

What Are Medicare Part B—Covered Services?

Doctors' Services	<p>Services that are medically necessary (includes outpatient and some doctor services you get when you're a hospital inpatient) or covered preventive services.</p> <p>You pay 20% of the Medicare-approved amount (if the doctor accepts assignment), and the Part B deductible applies.</p>
Outpatient Medical and Surgical Services and Supplies	<p>For approved procedures like X-rays, casts, or stitches.</p> <p>You pay the doctor 20% of the Medicare-approved amount for the doctor's services if the doctor accepts assignment. You also pay the hospital a copayment for each service. The Part B deductible applies.</p>

Medicare Part B—Covered Services Continued

Durable Medical Equipment (DME)

Items such as oxygen equipment and supplies, wheelchairs, walkers, and hospital beds for use in the home. Some items must be rented.

Includes national mail-order program for diabetic self-testing supplies, and includes 9 local programs for infusion pumps, including insulin pumps and pump supplies.

Visit [Medicare.gov/supplier](https://www.Medicare.gov/supplier) to find Medicare-approved suppliers in your area.

You pay 20% of the Medicare-approved amount, and the Part B deductible applies.

More Medicare Part B—Covered Services

Home Health Services	Medically necessary part-time or intermittent skilled nursing care, and/or physical therapy, speech-language pathology services, and/or services for people with a continuing need for occupational therapy, some home health aide services, medical social services, and medical supplies. You pay nothing for covered services.
Other (including but not limited to)	Medically necessary medical services and supplies, such as clinical laboratory services, diabetes supplies, kidney dialysis services and supplies, mental health care, limited outpatient prescription drugs, diagnostic X-rays, MRIs, CT scans, and EKGs, transplants and other services are covered. Costs vary.

Part B—Preventive Services

- Abdominal aortic aneurysm screening
- Alcohol misuse screening and counseling
- Bone mass measurement (bone density)
- Breast cancer screening (mammogram)
- Cardiovascular disease (behavioral therapy)
- Cardiovascular disease screenings
- Cervical and vaginal cancer screenings
- Colorectal cancer screenings
- Depression screening
- Diabetes screenings
- Diabetes self-management training
- Flu shots
- Glaucoma tests
- Hepatitis B shots
- Hepatitis B Virus (HBV) infection screening
- Hepatitis C screening test
- HIV (Human Immunodeficiency Virus) screening
- Lung cancer screening
- Medical nutrition therapy services
- Obesity screening and counseling
- Pneumococcal shots
- Prostate cancer screenings
- Sexually transmitted infection (STI) screening and counseling
- Smoking and tobacco-use cessation (counseling to prevent tobacco use & tobacco-caused disease)
- “Welcome to Medicare” preventive visit
- Yearly “Wellness” visit

Paying for Preventive Services

- In Original Medicare you
 - Pay nothing for most preventive services if your provider accepts “assignment”
 - May pay more if provider doesn’t accept assignment
 - May have a copayment
 - If doctor performs other services that aren’t part of covered preventive benefits, or
 - For certain preventive services

What's Not Covered by Part A and Part B?

Some of the items and services that Part A and Part B don't cover include:

- Most dental care
- Eye examinations related to prescribing glasses
- Dentures
- Cosmetic surgery
- Massage therapy
- Routine physical exams
- Acupuncture or other types of acupuncture (like dry needling) for any condition other than chronic low back pain
- Hearing aids and exams for fitting them
- Long-term care
- Concierge care (also called concierge medicine, retainer-based medicine, boutique medicine, platinum practice, or direct care)

They may be covered if you have other coverage, like Medicaid or an MA Plan that covers these services

What You Pay—2021 Part B Premiums



■ Monthly Premium

- Standard premium is \$148.50 in 2021 (may have to pay a higher amount depending on your income, see next slide)
- Some people who get Social Security benefits pay less than this amount

Monthly Part B Standard Premium—Income-Related Monthly Adjustment Amount (IRMAA) for 2021

Your Part B premium in 2021 based on your 2019 tax return:

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You pay
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$148.50
Above \$88,000 up to \$111,000	Above \$176,000 up to \$222,000	Not applicable	\$207.90
Above \$111,000 up to \$138,000	Above \$222,000 up to \$276,000	Not applicable	\$297.00
Above \$138,000 up to \$165,000	Above \$276,000 up to \$330,000	Not applicable	\$386.10
Above \$165,000 and less than \$500,000	Above \$330,000 and less than \$750,000	Above \$88,000 and less than \$412,000	\$475.20
\$500,000 or above	\$750,000 and above	\$412,000 and above	\$504.90

Paying the Part B Premium

- Deducted monthly from
 - Social Security benefit payments
 - Railroad retirement benefit payments
 - Federal retirement benefit payments
- If not deducted
 - Billed every 3 months
 - Medicare Easy Pay to deduct from bank account
- Contact Social Security, the Railroad Retirement Board, or the Office of Personnel Management about premiums

Part B Late Enrollment Penalty

- See how your insurance works with Medicare
 - Contact your employer/union benefits administrator
- Penalty for not signing up when first eligible
 - 10% more for each full 12-month period
 - May have a penalty as long as you have Part B
- Sign up during a Special Enrollment Period
- Usually, no penalty if you sign up within 8 months of employer coverage ending

Part B—What You Pay in Original Medicare in 2021

Yearly Deductible	\$203 in 2021
Coinsurance for Part B Services	<ul style="list-style-type: none">▪ 20% coinsurance for most covered services, like doctor's services and some preventive services, if provider accepts assignment▪ \$0 for most preventive services▪ 20% coinsurance for outpatient mental health services, and copayments for hospital outpatient services

When You Must Have Part A and Part B



Part B
Medical Insurance

- If you want to buy a Medicare Supplement Insurance (Medigap) Policy
- If you want to join a Medicare Advantage (MA) Plan
- If you're eligible for TRICARE for Life (TFL) or Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA)
- If your employer coverage requires you have it (less than 20 employees)
 - Talk to your employer or union benefits administrator

NOTE: Veterans Affairs (VA) benefits are separate from Medicare. With VA benefits, you may choose to not enroll in Part B, but you pay a penalty if you don't sign up for Part B during your IEP and enroll later (visit [VA.gov](https://www.va.gov)). If you have VA coverage, you won't be eligible to enroll in Part B using the SEP.

Your Medicare Options

Original Medicare

☒ **Part A**



☒ **Part B**



You can add:

☐ **Part D**



You can also add:

☐ **Supplemental coverage**



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a former employer or union, or Medicaid.

Medicare Advantage (also known as Part C)

☒ **Part A**



☒ **Part B**



Most plans include:

☒ **Part D**



☒ **Extra benefits**

Some plans also include:

☐ **Lower out-of-pocket costs**

NOTE: Medicare Supplement Insurance (Medigap) policies only work with Original Medicare.

Original Medicare

- Health care option run by the federal government
- Provides your Part A and/or Part B coverage
- See any doctor or hospital that accepts Medicare
- You pay
 - Part B premium (Part A is usually premium free)
 - Deductibles, coinsurance, or copayments
- Get Medicare Summary Notice
- Can join a Part D plan to add drug coverage

Assignment

- Doctor, provider, supplier accepts assignment
 - Signed an agreement with Medicare
 - Or is required to by law
 - Accepts the Medicare-approved amount
 - As full payment for covered services
 - Only charges Medicare deductible/coinsurance amount
- Most accept assignment
 - They submit your claim to Medicare directly

Don't Accept/Must Accept Assignment

- Providers and suppliers that **don't** accept assignment
 - May charge you more
 - The limiting charge is 15% more
 - May have to pay entire charge at time of service
- Providers sometimes **must** accept assignment
 - Medicare Part B–covered prescription drugs
 - Ambulance suppliers

Private Contracts

- Agreement between you and your doctor
 - Doctor doesn't furnish services through Medicare
 - Original Medicare and Medigap won't pay
 - Other Medicare plans won't pay
 - You'll pay full amount for the services you get
 - No claim should be submitted
 - Can't be asked to sign in an emergency
 - The doctor can't bill Medicare for 2 years for any services provided to anyone with Medicare



Lesson 3

MEDICARE SUPPLEMENT INSURANCE (MEDIGAP) POLICIES

Medigap Policies

☒ **Part A**



☒ **Part B**



You can add:

☐ **Part D**



You can also add:

☐ **Supplemental coverage**



This includes Medicare Supplement Insurance (Medigap). Or, you can use coverage from a former employer or union, or Medicaid.

- Sold by private insurance companies
- Fills gaps in Original Medicare coverage
 - Deductibles, coinsurance, copayments
- All plans with same letter
 - Have same coverage
 - Costs are different

Medigap Plans

- Standardized plans identified by a letter
 - Plans A, B, D, G, K, L, M, and N are currently sold
 - If your Medicare started before 1/1/20, you are eligible to purchase Medigap Plan C or F
 - Companies don't have to sell all plans
 - Plans with the same letter must offer the same basic benefits
 - Only the policy cost will vary between companies

Medigap Plan Coverage for 2021

	Medicare Supplement Insurance (Medigap) Plans									
Benefits	A	B	C	D	F*	G*	K	L	M	N
Medicare Part A coinsurance and hospital costs (up to an additional 365 days after Medicare benefits are used)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Medicare Part B coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100% ***
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care coinsurance or copayment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care coinsurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
							Out-of-pocket limit in 2021**			
							\$6,220	\$3,110		

* Plans F and G also offer a high-deductible plan in some states. With this option, you must pay for Medicare-covered costs (coinsurance, copayments, and deductibles) up to the deductible amount of \$2,370 in 2021 before your policy pays anything. (Plans C and F aren't available to people who were newly eligible for Medicare on or after January 1, 2020.)

** For Plans K and L, after you meet your out-of-pocket yearly limit and your yearly Part B deductible (\$203 in 2021), the Medigap plan pays 100% of covered services for the rest of the calendar year.

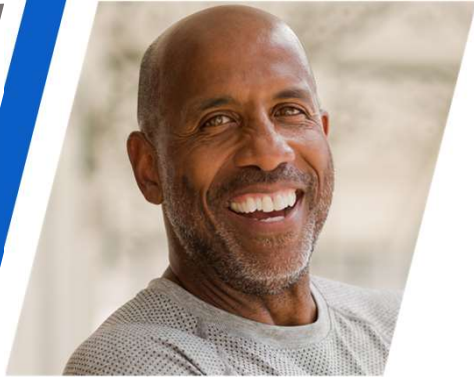
*** Plan N pays 100% of the Part B coinsurance, except for a copayment of up to \$20 for some office visits and up to a \$50 copayment for emergency room visits that don't result in inpatient admission.

When is the Best Time to Buy a Medigap Policy?



Medigap
Policy

- Your Medigap Open Enrollment Period (OEP) begins the month you're 65 or older AND enrolled in Part B
 - Lasts 6 months minimum, may be longer in your state
 - You have protections
- During your Medigap OEP, companies can't
 - Refuse to sell you any Medigap policy they offer
 - Make you wait for coverage
 - Charge more because of a past/present health problem
- You can also buy a Medigap policy whenever a company agrees to sell you one
 - If later, there may be restrictions unless you have a guaranteed issue right



Lesson 4

MEDICARE PRESCRIPTION DRUG COVERAGE (PART D)

Prescription Drug Coverage (Part D)



Part D
Medicare
prescription
drug coverage



**Can add to
Original
Medicare**



**Usually included
in Medicare
Advantage (MA)**

- An optional benefit available to all people with Medicare
- Run by private companies that contract with Medicare
- Provided through
 - Medicare Prescription Drug Plans (PDPs) (work with Original Medicare)
 - Medicare Advantage Prescription Drug Plans (MA-PDs)
 - Some other Medicare health plans

How Part D Works



Part D
Medicare
prescription
drug coverage

- It's optional
 - You can choose a plan and join
 - May pay a lifetime penalty if you join late
- Plans have formularies
 - Lists of covered drugs
 - Must include range of drugs in each category
 - Are subject to change—you'll be notified
- Your out-of-pocket cost may be less if you use a preferred pharmacy
- If you have limited income and resources, there's Extra Help to pay Part D costs

Medicare Drug Plan Costs—What You Pay in 2021

- Costs vary by plan
- Most people will pay
 - A monthly premium (varies by plan and income)
 - A yearly deductible (if applicable)
 - Copayments or coinsurance
 - Percentage of cost while in the coverage gap, begins at \$4,130 for out-of-pocket spending in 2021
 - Very little after spending \$6,550 out-of-pocket in 2021—automatically get catastrophic coverage



Part D
Medicare
prescription
drug coverage

Who Can Join Part D?



Part D
Medicare
prescription
drug coverage

- You must have Part A and/or Part B to join a Medicare PDP
- You must have Part A and Part B to join an MA-PD
- You must have Part A and Part B or only Part B to join a Medicare Cost Plan with Part D coverage
- You must live in the plan's service area
 - You can't be incarcerated
 - You can't be unlawfully present in the U.S.
 - You can't live outside the U.S.
- You must join a plan to get drug coverage (in most cases)

When Can I Enroll in a Part D Plan?

- During your 7-month Initial Enrollment Period (IEP)
- During the yearly Open Enrollment Period (OEP)
 - October 15–December 7 each year
 - Coverage begins January 1
- If you get Part B for the first time during a General Enrollment Period (GEP) you can join a Part D plan from April 1–June 30 with coverage starting July 1
- May be able to join at other times, like if you're
 - In an MA Plan on January 1, your MA OEP is from January 1–March 31 each year
 - New to Medicare and currently enrolled in an MA Plan during your Initial Coverage Election Period (ICEP), your MA OEP is your month of entitlement to Part A and Part B through to the last day of the 3rd month of entitlement
 - Special Enrollment Period (SEP), if you qualify

Special Enrollment Period (SEP)

- Life events that allow an SEP include if you
 - Permanently move out of your plan's service area
 - Lose other creditable prescription coverage
 - Weren't properly told that your other coverage wasn't creditable, or your other coverage was reduced and is no longer creditable
 - Enter, live at, or leave a long-term care facility
 - Have a continuous SEP if you qualify for Extra Help
 - Belong to a State Pharmaceutical Assistance Program
 - Join or switch to a plan that has a 5-star rating
 - Have other exceptional circumstances

Part D Late Enrollment Penalty

You may have to pay more if you wait to enroll

- Exceptions if you have
 - Creditable drug coverage
 - Extra Help



Part D
Medicare
prescription
drug coverage

You'll pay the penalty for as long as you have coverage

- 1% for each full month eligible and without creditable prescription drug coverage
- Multiply percentage by base beneficiary premium \$33.06 in 2021
- Amount changes every year

Monthly Part D Standard Premium—Income-Related Monthly Adjustment Amount (IRMAA) for 2021

Chart is based on your yearly income *in 2019* (for what you pay in 2021)

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	You pay Income-related monthly adjustment amount + your plan premium
\$88,000 or less	\$176,000 or less	\$88,000 or less	\$0.00 + YPP
Above \$88,000 up to \$111,000	Above \$176,000 up to \$222,000	See below	\$12.30* + YPP
Above \$111,000 up to \$138,000	Above \$222,000 up to \$276,000	See below	\$31.80* + YPP
Above \$138,000 up to \$165,000	Above \$276,000 up to \$330,000	See below	\$51.20* + YPP
Above \$165,000 and less than \$500,000	Above \$330,000 and less than \$750,000	Above \$88,000 and less than \$412,000	\$70.70* + YPP
\$500,000 and above	\$750,000 and above	\$413,000 and above	\$77.10* + YPP

Part D-Covered Drugs

- Prescription brand-name and generic drugs
 - Approved by the U.S. Food and Drug Administration
 - Used and sold in United States
 - Used for medically-accepted indications
- Includes drugs, biological products, and insulin
 - And supplies associated with injection of insulin
- Plans must cover a range of drugs in each category
- Coverage and rules vary by plan

How Plans Manage Access to Drugs

Prior Authorization	Doctor must contact plan for prior approval and show medical necessity for drug before drug will be covered
Step Therapy	<ul style="list-style-type: none">▪ Must first try similar, less expensive drug▪ Doctor may request an exception if<ul style="list-style-type: none">• Similar, less expensive drug didn't work, or• Step therapy drug is medically necessary
Quantity Limits	<ul style="list-style-type: none">▪ Plan may limit drug quantities over a period of time for safety and/or cost▪ Doctor may request an exception if additional amount is medically necessary

Formulary

- A list of prescription drugs covered by the plan
- May have tiers that cost different amounts
- Tier Structure Example

Tier	You Pay	Prescription Drugs Covered
1	Lowest copayment	Most generics
2	Medium copayment	Preferred, brand name
3	High copayment	Non-preferred, brand name
4 or Specialty	Highest copayment or coinsurance	Unique, very high cost

Choosing a Part D Plan



Part D
Medicare
prescription drug
coverage

■ Compare plans by computer or phone

- Use the Medicare Plan Finder at [Medicare.gov](https://www.medicare.gov)
- Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048
- Contact DMAB at 302-674-7364

■ To join a Part D Plan

- Enroll at [Medicare.gov](https://www.medicare.gov)
- Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048
- Enroll on the plan's website or call the plan
- Complete a paper enrollment form
- The plan will notify you whether it's accepted or denied your application
 - You can't be denied based on health condition or the drugs you take



Lesson 5

MEDICARE ADVANTAGE (PART C)

Medicare Advantage (MA) Plans (Part C)

☒ **Part A**

☒ **Part B**

Most plans include:

☒ **Part D**

☒ **Extra benefits**

Some plans also include:

☐ **Lower out-of-pocket costs**



- An MA Plan is another way to get your Medicare coverage (sometimes called “Part C” or “MA Plans”)
- Offered by Medicare-approved private companies that must follow rules set by Medicare
- If you join an MA Plan, you’ll still have Medicare but you’ll get your Part A (Hospital Insurance) and Part B (Medical Insurance) coverage from the MA Plan, not Original Medicare
 - You’ll need to use health care providers who participate in the plan’s network (some plans offer out-of-network coverage)

How Medicare Advantage (MA) Plans Work

In an MA Plan you:

- Are still in Medicare with all rights and protections
- Still get services covered by Part A and Part B
- May choose a plan that includes prescription drug coverage
- Can be charged different out-of-pocket costs
- Can't be charged more than Original Medicare for certain services, like chemotherapy, dialysis, and skilled nursing facility (SNF) care
- May choose a plan with extra benefits like vision, dental or fitness and wellness benefits
- Have a yearly limit on your out-of-pocket costs



Medicare
Advantage

How Medicare Advantage (MA) Plans Work (continued)

- Each plan has a service area in which its enrollees must live
- You (or a provider acting on your behalf) can request to see if an item or service will be covered by the plan in advance (called an organization determination)
 - Contact your plan for more information
- Medicare pays a fixed amount for your coverage each month to the companies offering MA Plans
- Each plan can have different rules for how you get services
 - These rules can change each year
- Hospice care is covered, but by Original Medicare



Medicare
Advantage

Medicare Advantage Costs

- You still pay the Part B premium
 - A few plans may pay all or part for you
- State assistance for some people with limited income and resources
- You may pay plan an additional monthly premium
- You pay deductibles, coinsurance, and copayments
 - Different from Original Medicare
 - Varies from plan to plan
 - May be higher if out of network

Who Can Join a Medicare Advantage Plan?

- Eligibility requirements—you must
 - Be enrolled in Medicare Part A (Hospital Insurance)
 - Be enrolled in Medicare Part B (Medical Insurance)
 - Live in the plan's service area
 - Be a United States (U.S.) citizen or lawfully present in the U.S.
 - Not be incarcerated
- To join you must also
 - Provide necessary information to the plan
 - Follow the plan's rules
 - Can only belong to one plan at a time

When Can I Enroll in a Medicare Advantage (MA) Plan

- Initial Enrollment Period (IEP)
 - Begins 3 months before the month you turn 65, includes the month you turn 65, and ends 3 months after the month you turn 65.
- General Enrollment Period (GEP)
 - If you have Part A and enroll in Part B during a GEP, you can enroll in an MA Plan from April 1–June 30 with coverage starting July 1
- Special Enrollment Period (SEP) in certain circumstances, like if you
 - Move out of your plan's service area
 - Have or lose Medicaid or Extra Help
 - Move in or out of an institution (like a nursing home)



Medicare
Advantage

When Can I Enroll in a Medicare Advantage (MA) Plan (continued)

- Yearly OEP from October 15–December 7
- MA Open Enrollment Period (MA OEP)
 - One-time change each year from January 1–March 31 (coverage begins the 1st of the month after)
 - Must already be enrolled in an MA Plan (at any time) during the first 3 months of the year
 - To switch to another MA Plan with or without drug coverage
 - To drop your MA Plan and return to Original Medicare (can also join a Medicare Prescription Drug Plan (PDP))
 - If you're new to Medicare and you're enrolled in an MA Plan during your IEP, you can make a change within the first 3 months you have Medicare.



Medicare
Advantage

Note: If you drop a Medicare Supplement Insurance (Medigap) policy to join an MA Plan, you might not be able to get it back.

How Do I Enroll in a Medicare Advantage (MA) Plan?

- Call DMAB at 302-674-7364
- Use the Medicare Plan Finder [Medicare.gov/plan-compare](https://www.medicare.gov/plan-compare)
- Visit the plan's website to see if you can join online
- Fill out a paper enrollment form
 - Contact the plan to get an enrollment form, fill it out, and return it to the plan
 - All plans must offer this option
- Call the plan you want to join
 - Get your plan's contact information from the Plan Finder
- Call 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048



Medicare
Advantage

Can I Join a Medicare Advantage (MA) Plan If I Have End-Stage Renal Disease (ESRD)?

In certain situations:

- Starting January 1, 2021, people with ESRD may join an MA/MA-PD plan without the restrictions listed on this slide.
- If you're already in an MA Plan when you develop ESRD, you can stay in your plan or you may be able to join another MA Plan offered by the same company.
- If you're in an MA Plan, and the plan leaves Medicare or no longer provides coverage in your area, you have a one-time right to join another MA Plan.
- If you have an employer or union GHP or other health coverage through a company that offers one or more MA Plan(s), you may be able to join one of that company's MA Plans.
- If you're medically determined to no longer have ESRD, you may be able to join an MA Plan.
- You may be able to join a Medicare Special Needs Plan (SNP) that covers people with ESRD if one is available in your area.

How are Medigap Policies and MA Plans Different?

	Medigap Policies	MA Plans
Offered by	Private companies	Private companies
Government oversight	State, but must also follow federal laws	Federal (plans must be approved by Medicare)
Works with	Original Medicare	N/A
Covers	Gaps in Original Medicare coverage, like deductibles, coinsurance, and copayments for Medicare-covered services.	All Part A and Part B covered services and supplies. May also cover things not covered by Original Medicare, like vision and dental coverage. Most MA Plans include Medicare prescription drug coverage.
You must have	Part A and Part B	Part A and Part B
Do you pay a premium	Yes. You pay a premium for the policy and you pay the Part B premium.	Yes. In most cases, you pay a premium for the plan and you pay the Part B premium.

Other Health Plans—Programs of All-inclusive Care for the Elderly (PACE) St. Francis 302-660-3351

- To qualify, you must meet these conditions:
 - You're 55 or older
 - You live in the service area of a PACE organization
 - You're certified by your state as needing a nursing home-level of care
 - At the time you join, you're able to live safely in the community with the help of PACE services
- Covers all Medicare- and Medicaid-covered care and services
- If you have Medicaid, you won't have to pay a monthly premium for the long-term care portion of the benefit
- If you have Medicare, but not Medicaid, you'll be charged a monthly premium to cover the long-term care portion of the benefit and a premium for Medicare Part D drugs



Lesson 7

HELP FOR PEOPLE WITH LIMITED INCOME AND RESOURCES

Help for People with Limited Income and Resources

- Medicare Savings Program
 - Help from your state paying Medicare costs, including Medicare premiums, deductibles, coinsurance, and copayments
- Extra Help
 - Help paying Part D prescription drug costs

Minimum Federal Eligibility Requirements for the Medicare Savings Program

Medicare Savings Program	Individual Monthly Income Limits	Married Couple Income Limits	Helps Pay Your
Qualified Medicare Beneficiary (QMB)	\$1,063	\$1,437	Part A and Part B premiums, and other cost-sharing (like deductibles, coinsurance, and copayments)
Specified Low-Income Medicare Beneficiary (SLMB)	\$1,276	\$1,724	Part B premiums only
Qualifying Individual (QI)	\$1,435	\$1,940	Part B premiums only

What is Extra Help?



Part D
Medicare
prescription
drug coverage

- Program to help people pay for Medicare prescription drug costs (Part D)
 - Also called the low-income subsidy (LIS)
- If you have the lowest income and resources
 - Pay no premiums or deductible, and small or no copayments
- If you have slightly higher income and resources
 - Pay reduced deductible and a little more out of pocket
- No coverage gap or late enrollment penalty if you qualify for Extra Help
- Special Enrollment Period (SEP) allows you to change your Medicare drug plan once per quarter in the first 3 quarters of the year
 - If you want to change plans in the 4th quarter, you must use the Open Enrollment Period (OEP)

Qualifying for Extra Help

■ You automatically qualify for Extra Help if you get

- Full Medicaid coverage
- Supplemental Security Income (SSI)
- Help from Medicaid paying your Medicare premiums (Medicare Savings Program; sometimes called “partial dual”)

■ All others must apply

- Online at socialsecurity.gov/benefits/medicare/prescriptionhelp
- Call Social Security at 1-800-772-1213; TTY: 1-800-325-0778
 - Ask for “Application for Help with Medicare Prescription Drug Plan Costs” (SSA-1020)
- Contact your State Medical Assistance (Medicaid) office
- Work with a local organization, like a State Health Insurance Assistance Program (SHIP)



Part D
Medicare
prescription
drug coverage

Original Medicare vs. Medicare Advantage—Cost



Original Medicare

For Part B-covered services, **you usually pay 20% of the Medicare-approved amount** after you meet your deductible. This is called your coinsurance.

You **pay a premium (monthly payment) for Part B**. If you choose to buy a Medicare drug plan (Part D), you'll pay that premium separately.

There's **no yearly limit** on what you pay out-of-pocket, unless you have supplemental coverage—like Medicare Supplement Insurance (Medigap).

You **can get** Medigap to help pay your remaining out-of-pocket costs (like your 20% coinsurance). Or, you can use coverage from a former employer or union, or Medicaid.

Medicare Advantage

Out-of-pocket costs vary—plans may have lower out-of-pocket costs for certain services.

You may **pay the plan's premium** in addition to the monthly **Part B premium**. (Most plans include drug coverage (Part D)). Plans may have a \$0 premium or may help pay all or part of your Part B premiums.

Plans have a **yearly limit** on what you pay out-of-pocket for Part A- and Part B-covered services. Once you reach your plan's limit, you'll pay nothing for Part A- and Part B-covered services for the rest of the year.

You **can't buy and don't need** Medigap.

Original Medicare vs. Medicare Advantage—Coverage



Original Medicare

Original Medicare covers most medically necessary services and supplies in hospitals, doctors' offices, and other health care settings.

You can join a **separate Medicare drug plan (Part D)** to get drug coverage.

In most cases, you don't have to get a service or supply approved ahead of time for it to be covered.

Medicare Advantage

Plans must cover all of the medically necessary services that Original Medicare covers. Most plans offer **extra benefits that Original Medicare doesn't cover**—like some vision, hearing, dental, and more. Plans can now cover more of these benefits than they have in the past.

Drug coverage (Part D) is included in most plans. In most types of MA Plans, you don't need to join a separate Medicare drug plan.

In some cases, you have to get a service or supply approved ahead of time for it to be covered by the plan.

Original Medicare vs. Medicare Advantage— Doctor and Hospital Choice



Original Medicare	Medicare Advantage
You can go to any doctor or hospital that takes Medicare , anywhere in the U.S.	In many cases, you'll need to use doctors and other providers who are in the plan's network and service area (for non-emergency or non-urgent care). Check with the plan. You can also ask your provider if they participate in any MA Plans.
In most cases, you don't need a referral to see a specialist.	You may need to get a referral to see a specialist.

Original Medicare vs. Medicare Advantage—Travel



Original Medicare	Medicare Advantage
Original Medicare generally doesn't cover care outside the U.S. You may be able to buy a Medicare Supplement Insurance (Medigap) policy that covers care outside the U.S.	Plans generally don't cover care outside the U.S.

Helpful Websites

- Medicare – [Medicare.gov](https://www.medicare.gov)
- Social Security – [socialsecurity.gov](https://www.socialsecurity.gov)
- Delaware Medicare Assistance Bureau – insurance.delaware.gov/dmab